

SENATE BILL 267

By Haynes

AN ACT to amend Tennessee Code Annotated, Title 47,
Chapter 2 and Title 55, relative to sales of
automobiles.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-3-120(a), is amended by adding the following language at the end of such subsection:

A dealer shall provide clear title to the person to whom the transfer is made within thirty (30) days of the date on which the bill of sale is executed.

SECTION 2. Tennessee Code Annotated, Section 55-3-121, is amended by designating present subsection (b) as new subsection (c) and by adding the following language as new subsection (b):

(b) When a transferor transfers a vehicle by executing and delivering a bill of sale to a transferee who is a dealer, such dealer shall satisfy all liens on the vehicle and obtain a certificate of title within thirty (30) days of such transfer.

SECTION 3. Tennessee Code Annotated, Section 55-3-127, is amended by adding the following language as new subsections:

(i) It is a Class C misdemeanor for any dealer to fail to deliver valid, clear title to a transferee within thirty (30) days when the dealer executes a bill of sale in lieu of delivering the certificate of title.

(j) It is a Class C misdemeanor for any dealer who accepts a motor vehicle transfer to fail to satisfy any and all liens and obtain a valid certificate of title for such vehicle within thirty (30) days of such transfer.

SECTION 4. Tennessee Code Annotated, Section 55-17-114(b)(1), is amended by adding the following language as new subdivisions:

(N) Fails to satisfy any and all liens or obtain clear title for a motor vehicle within thirty (30) days of accepting a lawful transfer by a transferee.

(O) Fails to deliver valid, clear title to a transferee within thirty (30) days when the motor vehicle dealer or salesperson executes a bill of sale in lieu of delivering the certificate of title.

SECTION 5. This act shall take effect July 1, 2007, the public welfare requiring it.